

Message Text

CONFIDENTIAL

PAGE 01 STATE 070851

12

ORIGIN EUR-04

INFO OCT-01 ISO-00 /005 R

66610

DRAFTED BY: EUR/EE/WSSHEPARD:MJ

APPROVED BY: EUR/EE-JABAKER

----- 009537

R 082218Z APR 74

FM SECSTATE WASHDC

TO AMCONSUL MUNICH

C O N F I D E N T I A L STATE 070851

FOLLOWING REPEA BUDAPEST 693 ACTION SECSTATE INFO BUCHAREST
MOSCOW PRAGUE SOFIA WARSAW BERLIN 24 MAR

QUOTE

C O N F I D E N T I A L BUDAPEST 0693

E.O. 11652: GDS

TAGS: PINT, PFOR, HU

SUBJECT: POLICY IMPLICATIONS OF HUNGARIAN CENTRAL COMMITTEE CHANGES

1. SEPTTEL CONTAINS OUR ANALYSIS OF IMPORTANT CHANGES IN PARTY AND GOVERNMENT LEADERSHIP IN HUNGARY DURING THIS WEEK'S CENTRAL COMMITTEE SESSION. OUR ANALYSIS IS OBVIOUSLY SUBJECT TO REVISION AS WE SEE HOW THE CHANGES WORK OUT IN PRACTICE.

2. I THINK THE PRINCIPAL FACTORS THAT SHOULD GUIDE OUR THINK AT THIS POINT ARE AS FOLLOWS:

(Q) ECONOMIC POLICY WAS THE CENTRAL ISSUE THAT PROVOKED THESE CHANGES; AND THE MOST LIBERAL ECONOMIC FORCES HERE HAVE SUFFERED A SET-BACK. NYER'S SEVERE DEMOOCON MAKES THIS CLEAR. AT THE SAME TIME OTHER LIBERAL ELEMENTS HAVE REMAINED.

(2) NEMETH, UNTIL NOW BUDAPEST PARTY SECREGARY, HAS MOVED SUBSTANTIALLY FORWARD IN A FUTURE CONTEST FOR BECOMING KADAR'S SUCCESSOR

(3) THE LIKELIHOOD OF KADAR'S RETIRING AT THE NEXT PARTY

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 070851

CONGRESS WOULD SEEM TO HAVE INCREASED, BUT HIS DECISION TO ASSUME

PERSONAL CHAIRMANSHIP OF THE MAIN PREPARATIONS FOR NEXT CONGRESS MAKES IT CLEAR HE WILL REMAIN IN CONTROL AT LEAST UNTIL THEN.

(4) WHILE IT MIGHT BE THOUGHT THAT KADAR HAS LOST INFLUENCE IN THESE CHANGES, THAT CONCLUSION IS NOT NECESSARILY CORRECT. IN A RECENT ARTICLE POLITBUREAU MEMBER BISZKU WROTE THAT "SOME PEOPLE" FELT THAT THE PARTY'S POSITION WAS INTRODUCED INTO THE ECONOMIC SYSTEM WHEN BASIC DECISIONS WERE MADE AND THAT ECONOMIC FORCES SHOULD THEREAFTER BE LEFT ALONE. HE SAID THAT WAS WRONG. IF THE ISSUE CAME TO A HEAD IN SUCH TERMS I BELIEVE KADAR - A HUMANE BUT CONVINCED COMMUNIST - WOULD HAVE CHOSEN THE BISZKU SIDE ON THE BASIS OF HIS OWN JUDGMENT.

(5) THE CHANGES DO NOT MEAN AN ABANDONMENT OF THE NEW ECONOMIC MECHANISM AND A RETURN TO A CENTRALLY DIRECTED ECONOMY. THE COMMUNIQUE REAFFIRMED THE POLICY. A LONG ARTICLE IN THE PARTY PAPER TODAY BY POLITBUREAU MEMBER KOMOSCIN WAS ALSO DEVOTED ALMOST ENTIRELY TO MAKING THAT CLEAR. HE SAID THAT THE NEW ECONOMIC POLICY WAS INDESPENSABLE, AND LARGE HEADLINES OVER IT SAID "UNCHANGED POLICY".

(6) HOWEVER, THE CHANGES THAT WE KNOW ABOUT SUCH AS CENTRALLY DIRECTED WAGE INCREASES, A POWERFUL NEW ROLE OF THE TRADE UNIONS IN THE MONITORING OF INDUSTRIAL LEADERS, AND STATE DIRECTION OF SEVERAL PRINCIPAL INDUSTRIES - THE SORT THAT POLITBUREAU MEMBER GASPAR RECENTLY OUTLINED TO ME - ARE ALL RETROGRADE IN RESPECT TO THE MAIN INTENT OF THE NEM. IF NYERS REGARDED THEIR EFFECT AS SERIOUSLY AS HE MUST HAVE, WE MUST WEIGHT THAT JUDGMENT HEAVILY.

(7) THE ROLE OF THE USSR IS UNCLEAR, BUT A PARAGRAPH TODAY BY KOMOSCIN MAY MEAN THAT SOVIET POLICY LAY BEHIND THE CHANGE. FOR AFTER DEFENDING THE NEM STRONGLY HE THEN MADE THE POINT THAT OTHER EE COUNTRIES HAD ALSO MADE ECONOMIC ADVANCES AND THAT HUNGARY SHOULD NOT HESITATE TO USE THOSE THAT WERE HELPFUL. IF SOME SOVIET PRACTICE IS BEING INTRODUCED WE DO NOT KNOW WHAT IT IS.

(8) THE IMPACT OF THE CHANGES ON CULTURAL POLICY IS NOT YET CLEAR

ACZEL'S SHIFT TO THE GOVERNMENT MAY SIMPLY PUT HIM IN CHARGE OF IMPLEMENTING HIS OWN, RELATIVELY MODERATE, POLICIES. THE COMMUNIQUE FIRMLY CALLS FOR A STRONGER IDEOLOGICAL LINE IN EDUCATION; IT IS NOT NECESSARY THAT THIS WILL MEAN NEW RESTRICTIONS ON NEWS, FILMS, WESTERN CONTACTS, ETC, WHICH ARE RELATIVELY LIBERAL IN HUNGARY. WE SHOULD NOT CONCLUDE THAT CULTURAL RELATIONS WITH US WILL BE FROZEN AS A RESULT.

(9) THE COMMUNIQUE IS ROOTED, I BELIEVE, IN A CONCERN ABOUT THE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 070851

STATUS OF IDEOLOGICAL FERVOR IN HUNGARY. I THINK THIS STEMS NOT JUST FROM THE IDEOLOGICAL IMPACT OF THE NEW AND THE IMPROVING STANDARD OF LIVING BUT ALSO FROM UNEASINESS ABOUT THE IMPACT OF DETENTE. THE CENTRAL COMMITTEE ENDORSED DETENTE FIRMLY, BUT THE OTHER CHANGES SEEM DESIGNED TO COUNTER ITS INTERNAL EFFECTS: A STRONGLY REASSERTED ASSOCIATION OF THE PARTY WITH PHYSICAL WORKERS, INCLUDING A NEW POLICY REQUIRING 2/3RDS OF NEW MEMBERS TO BE PHYSICAL WORKERS;

A CALL FOR BETTER IDEOLOGICAL TRAINING OF THE WORKERS; THE CALL FOR STRONGER IDEOLOGICAL CONTROL OVER EDUCATION; AND A FIRMLY ASSERTED PARTY ROLE IN ECONOMIC, INCLUDING INDUSTRIAL DEMOCRACY, AFFAIRS. THE PARTY'S FIRM ENDORSEMENT OF MULTILATERAL COOPERATION ON IDEOLOGICAL MATTERS STEMMING FROM THE PARTY MEETING IN MOSCOW IN DECEMBER IS ANOTHER INDICATION OF THIS. AND MANY RECENT ARTICLES - INCLUDING ACZELS' ON CULTURAL POLICY - REFLECT A SIMILAR CONCERN.

(10) THERE IS LIKELY TO BE LITTLE DIRECT IMPACT ON OUR OWN INTERESTS HERE. INDEED IN THE ECONOMIC SPHERE THEY COULD WELL LEAN THE OTHER WAY IN TRADE AND ECONOMIC COOPERATION IN ORDER TO DEMONSTRATE THAT THEIR BASIC POLICIES HAVE NOT CHANGED. IN SHORT I THINK NO CHANGES IN OUR OWN POLICIES ARE CURRENTLY CALLED FOR. IF THE CHANGES PROVE TO BE MORE FUNDAMENTAL THAN OUR ANALYSIS IMPLIES WE WOULD OF COURSE HAVE TO RE-EXAMINE THE SITUATION. PEDERSEN UNQUOTE RUSH

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, POLITICAL SITUATION, CENTRAL GOVERNMENT, COMMITTEE MEETINGS, POLITICAL PARTIES, POLITICAL LEADERS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE070851
Document Source: CORE
Document Unique ID: 00
Drafter: EUR/EE/WSSHEPARD:MJ
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740080-0694
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740457/aaaacakd.tel
Line Count: 130
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 19 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 APR 2002 by cunninfx>; APPROVED <12 JUN 2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: POLICY IMPLICATIONS OF HUNGARIAN CENTRAL COMMITTEE CHANGES
TAGS: PINT, PFOR
To: MUNICH
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005